

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Alexandria Division

In Re:	:	
	:	
ALSTRAW ENTERPRISES, Inc.	:	CASE NO 18-11430-BFK
	:	Chapter 11
Debtor	:	
	:	

MOTION TO SELL ASSETS OF THE DEBTOR

COMES NOW the debtor, Alstraw Enterprises, Inc., by counsel, and pursuant to 11 U.S.C. 363(b) moves this Court for the entry of an Order authorizing the sale of certain assets of the debtor, and in support thereof it states as follows:

1. The debtor corporation operates four coin laundries at separate locations, including Dulles Park, Herndon, Dumfries and Manassas. Each of these businesses occupy leased space and some have different names under which they do business. The Dumfries location is known as "Plaza Coin Laundry", Herndon is known as the "The Herndon Coin Laundry", and the Manassas location is known as "Don's Wash".

2. Stephen Karbelk of Auction Markets, LLC was appointed as a sales agent for the debtor by an order of this Court entered on July 12, 2018.

3. Scott W. Miller of Analytic Financial Group, LLC was appointed as a financial advisor for the debtor retroactively to June 15, 2018, by an order of this Court entered on July 17, 2018.

4. After a commercially reasonable advertising campaign by Auction Markets, LLC, which included the preparation of financial information by the Analytic Financial Group for the purpose of providing prospective buyers with reliable financial data related to each specific location, the debtor has received an offer for the purchase of the Dumfries and Herndon businesses from Jennifer Eubanks (hereafter Eubanks), which includes payment of \$60,000.00 for the Dumfries location and \$100,000.00 for the Herndon location. These offers are severable, meaning that both or any one separately may be approved, but should one offer not be approved for any reason, the remaining offer may be.

5. After the Eubanks offer for the Dumfries and Herndon locations was received, and a Motion and Notice was filed asking for its approval, a second offer was received from Nilraj Chudasama for all three locations, including an offer of \$66,000.00 for the Dumfries location, \$110,000.00 for the Herndon location, and \$93,000.00 for the Manassas location. A copy of this offer in the form of an Asset Purchase Agreement is attached as an exhibit.

6. The Asset Purchase Agreement contemplates the assignment of all leasehold rights, and sale of all of the debtor's assets, tangible and intangible, at the Dumfries, Manassas, and Herndon locations, including, but not limited to, washing machines, dryers, coin machines, vending machines, fixtures and the like, in addition to the debtor's good will and business name associated with the Herndon, Manassas, and Dumfries locations. These offers are severable, meaning that all of them,

or any one separately may be approved, but should one offer not be approved for any reason, the remaining offer(s) may be.

7. The debtor's principal, Arjen Weiss, and not the debtor Alstraw, is the tenant on the leases for the Dumfries and the Manassas locations. Mr. Weiss will cooperate and do all that may be necessary to transfer his lease rights to the buyer. However, The Asset Purchase Agreement is subject to a number of contingencies, including an acceptance of the buyer by the landlord for each location, including the Dumfries and Manassas locations.

8. The leases for the Herndon, and Manassas locations are in arrears. The lease arrearage for the Manassas location is, upon information and belief, in excess of \$83,000.00.

9. Under the terms of Mr. Karbelk's employment, he is entitled to a 10% commission paid at settlement on all assets sold through his efforts, and the recovery of marketing expenses of up to \$3,000.00 for each sale. The commission on this sale would be split between Stephen Karbelk/Auction Markets, LLC, the estate's agent, and Horizon Business Brokers, LLC, the buyer's agent. At the same time, it is anticipated that not more than \$3,000.00 in expenses for professional photographs, DropBox Due Diligence Room, and Constant Contact email marketing will be payable on this sale to Auction Markets, LLC at the time of closing.

10. To the extent that funds are available, any lease arrearage for any of the locations would be cured at the time of settlement on the sale of that location.

11. There are no liens against the debtor, nor any encumbrances on the assets to be sold under the Asset Purchase Agreement.

12. The debtor cannot operate the Herndon, Manassas, or Dumfries locations profitably, and their sale would reduce its operating loss and provide it funds which will enable it to file a Plan of Reorganization.

13. The debtor submits that, at the time this motion is filed, the Chudasama offer and Asset Purchase Agreement represents the best price obtainable for these assets, and the best result for the estate and the creditors at this time.

WHEREFORE the debtor prays that this Court enter an order approving the sale of all assets of the debtor associated with the Manassas location (Don's Wash) in accordance with the attached Asset Purchase Agreement, and determine which of the two offers for the Herndon location (The Herndon Coin Laundry) and the Dumfries Location (Plaza Coin Laundry) benefits the estate best, and that the 10% commission due Auction Markets, LLC and the brokers, and Auction Market LLC's expenses up to \$3,000.00 be paid at settlement, and for such other relief as may be needed.

Alstraw Enterprises, Inc
By counsel

/s/ Richard G. Hall
Richard G. Hall, Esquire
Counsel for the debtor
7369 McWhorter Place, Suite 412
Annandale, Virginia, 22003
(703) 256-7159, VA Bar No 18076

CERTIFICATE OF SERVICE

I hereby certify that on August 15, 2018, a true copy of this Motion was mailed to The Richmond Corporation at 1093 Seven Locks Road, Rockville, MD 20854, and to_all parties on the attached service list, and also served on the United States Trustee via ECF.

/s/ Richard G. Hall